ABC NIGHTLINE 26 July 1983

KOPPEL: Good evening. I'm Ted Koppel, and this is Nightline. At his news conference tonight, President Reagan was firm, reassurring and conciliatory. PRESIDENT RONALD REAGAN: The United States, along with our friends, seriously opposes the use of force by one neighbor against another in Central America, but we're not seeking a larger presence in that region, and U.S. forces have not been requested there. The United States stands firmly on the side of peace.

KOPPEL: Tonight, we'll focus on what the president said and what he's doing, on what appears to be an increase in U.S. military involvement in Central America. Among our guests, McGeorge Bundy and Sen. Patrick Leany, who have serious doubts about the policy, the Nicaraguan ambassador to the United States and the president's new Assistant Secretary of State Langhorne Motley. Also, we'll hear what Fidel Castro had to say tonight.

KOPPEL: Stand aside, Samantha Smith, the most famous young girl in the land is about to become a 13-year-old by the name of Gretchen. What did Gretchen do? She wrote to President Reagan, 'Don't you sometimes wish you could just stamp your feet and shout at the press or senators to be quiet, sit down and listen to what you're saying?' Well, at his press conference tonight, the president allowed as how that was exactly what he sometimes wishes, and he proceded to explain how everyone is misunderstanding and misinterpreting what he's doing in Central America. Here's our diplomatic correspondent, Barry Dunsmore, to sketch out what is being done and how the president, tonight, explained it.

DUNSMORE: The gunboats are moving into place. By tomorrow, the aircraft carrier Ranger, with 70 planes, along with seven escort ships will be operating off the Pacific coast of El Salvador. The carrier Coral Sea, with its 70 fighters and battle group, is coming from the Mediterranean in August to operate in the Caribbean. the biggest gunboat of them all, the battleship New Jersey, will soon be steaming from Asia to the Central American Pacific coast. In addition, as many as 4,000 American ground forces will be in Honduras at any one time over the next six months, practicing infantry maneuvers, marine amphibious landings, firing artillery and building airstrips capable of handling C-130 Hercules transport planes. According to Pentagon officials, the purpose of these largest and longest-ever air, sea and land exercises is to demonstrate the ability of the United States to operate in that region. would translate that intimidation. However, tonight, President Reagan said that the maneuvers were not extraordinary and that U.S. intentions were only peaceful. REAGAN: We, together with our friends, are now planning joint training exercises in the Caribbean and Central America. And let me set the record straight on what these exercises are and what they are not. Essentially, there will be two sets of practice training in coming months, one a series of ground exercises in Honduras with the combined forces of Honduras and the United States; second, a series of ocean exercises with our own fleet.

DUNSMORE: But that's not all. The not-so-secret, secret war continues along the Honduran-Nicaraguan border, with the Central Intelligence Agency continuing to support some 10,000 contras who are opposing the Nicaraguan Sandinista government. Now come reports that the administration wants to expand these paramilitary operations significantly. The New York Times quotes unnamed officials as describing these as the most intensive covert operations mounted since the Vietnam war. Another recent published report suggests preparations are even underway for the mining of Nicaraguan ports to cut off supplies from the Soviet Union and Cuba. When asked about covert operations tonight, Mr. Reagan gave the stark answer but indicated such operations have ligitimate goals. REAGAN: I can't answer your question about covert aid. I think this is like discussing intelligence matters. If you discuss covert aid,